

2008 STIP Fund Estimate Assumptions

Presented to the
California Transportation Commission
September 2007

A vertical strip on the left side of the slide shows various US dollar bills, including a \$100 bill and a \$20 bill, with the number '22427092 G' visible.

Recap

- **Original 2008 FE STIP assumptions provided in June 2007.**
- **Adoption delayed due to uncertainty with budget.**
- **Budget enacted on August 24, 2007.**



Current Issues

- **Department requires guidance on two policy assumptions.**
 - **Pre-Proposition 42 Loan Repayment Options (Item SHA 12)**
 - **Federal Obligation Authority Options and Updates (Item SHA 13)**
- **Updates to assumptions based on Enacted Budget and methodology changes**



Key Policy Assumptions

- **Pre-Proposition 42 Loan Repayment Options (Item SHA 12)**
 - A. Annual Tribal Gaming Compact revenues of \$100 million, in accordance with Government Code Section 63048.65(e).
 - B. Tribal Gaming bonds issued in 2008-09, repaying loans in full.
 - C. Tribal Gaming bonds issued in some other year.
 - D. No Tribal Gaming revenues during the FE period.

Recommendation: Assumption A.



Key Policy Assumptions

- **Federal Obligation Authority Options and Updates (Item SHA 13)**
 - A. OA level constant from SAFETEA-LU at 1.8% from 2008-09 and thereafter (\$17.0 billion).
 - B. Escalate the 2008-09 OA level from SAFETEA-LU at 1.8% (\$17.6 billion).
 - C. Escalate the actual 2006-07 OA level at 1.8% (\$15.8 billion).
 - D. Escalate the actual 2006-07 OA level at 1.8%, then hold constant (\$14.9 billion).
 - E. Use AASHTO April 2007 projected SAFETEA-LU estimates (\$16.2 billion).

Recommendation: Assumption C.



Enacted Budget Updates

(Changes to Current Law)

- **Spillover Revenue to PTA (Item PTA 5)**
 - Enacted Budget changes treatment of spillover revenue.
- **Spillover Transfer to STA (Item PTA 11)**
 - \$100 million in 2007-08, 1/3 of total thereafter.
- **Regional Center Transportation Expenditures (Item PTA 18)**
 - \$129 million out of the PTA in 2007-08 and beyond
- **PTA Policy Implications**



Methodology & Other Updates

- **Federal emergency relief funding in 2007-08 (Item SHA 13)**
 - One-time funding of \$307 million, authorized by FHWA.
- **State operations expenditures**
 - Escalation rate reduced from 2.7% to 2.4%.
- **TIF COS Transfers to SHA (Item TIF 6)**
 - Transfer to the SHA for COS in 2007-08 only.
 - For 2008-09 and beyond, STIP COS will be funded directly from TIF.

A vertical strip on the left side of the slide shows a stack of US dollar bills. The top bill is a \$100 bill, with the number '100' and the word 'HUNDRED' visible. Below it, a \$20 bill is partially visible, showing the number '20' and the word 'TWENTY'. The bottom bill is a \$10 bill, showing the number '10' and the word 'TEN'.

Next Steps

- **Adopt assumptions today.**
- **Department presents Draft FE results on September 19, 2007.**
- **Final FE adopted in October 2007.**